

Republic of the Philippines
Department of Labor and Employment
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD – VI
Iloilo City

WAGE ORDER NO. RBVI-10
PRESCRIBING new MINIMUM WAGE RATES

WHEREAS, the Board, guided by its mandate, principles and procedures governing its functions regularly monitors and updates the trends and patterns on wages and productivity;

WHEREAS, the Board, pursuant to the above premises, conducted public hearings/consultations in the different provinces in the Region specifically in Bacolod City on October 9, 2000; Iloilo City on October 10, 2000 and Roxas City, Capiz on October 12, 2000;

WHEREAS, from the data gathered in the public hearings/consultations and position papers received, the Board sees the need to increase the minimum wage rates of private sector workers and employees in the Region to address the present economic condition in the light of the recent oil and transportation cost increases;

WHEREAS, for purposes of easy interpretation and implementation of the new minimum wage rate, there is a need to simplify the wage classification in the Region.

WHEREAS, in the process of simplification, certain categories, specifically cottage/handicraft, hospitals and the sugar industry, deserve special attention considering the peculiar situation they are in;

WHEREAS, considering the recent implementation of Wage Order No. RB6-09-B in the sugar industry, the Board believes the need to defer the implementation of the present Order in the sugar industry ninety (90) days after its effectivity;

NOW, THEREFORE, on the above premises and by virtue of the power and authority vested under Republic Act No. 6727 otherwise known as the Wage Rationalization Act, the Regional Tripartite Wages and Productivity Board, Region VI, hereby issues this Wage Order.

Section 1. Upon effectivity of this Wage Order, the daily basic wage of the minimum wage earners in the Region shall be as indicated below except in the sugar industry which shall take effect ninety (90) days after its effectivity.

INDUSTRY/SECTOR	New Minimum Wage Rates under WO RBVI-10
NON-AGRICULTURE	
(i.e., Industrial/Commercial)	
With capitalization of:	
More than P3 Million	170.00
More than P1 Million but less than P3 Million	160.00
Not more than P1 Million	143.00
AGRICULTURE	
Plantation	
With capitalization of more than P3 Million and with annual gross sales of:	
P5 Million or more	150.00
Less than P5 Million	143.00
With capitalization of more than P1 Million but	

not more than P3 Million w/ annual gross sales of:	
P5 Million or more	143.00
Less than P5 Million	130.00
With capitalization of not more than P1 Million	130.00
Non-Plantation	120.00
HOSPITALS	160.00
COTTAGE/HANDICRAFT	122.00

Section 2. The new wage rates herein provided shall not cover household or domestic helpers and persons in the personal service of another including family drivers.

Section 3. The minimum wage rates prescribed herein shall be for normal working hours, which shall not exceed eight (8) hours work a day.

Section 4. All workers paid by results, including those who are paid by piece work, "takay" or task basis, shall be entitled to the new minimum wage rates per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours.

Section 5. Wages of apprentices and learners shall, in no case, be less than seventy-five percent (75%) of the applicable minimum wage rates prescribed in this Order.

Section 6. In the case of private educational institutions, this Wage Order shall take effect beginning schoolyear 2001-2002.

Section 7. In the case of contracts for construction projects and for security, janitorial and similar services, the wage rates of the workers shall be borne by the principals or clients of the construction/service contractors/ and the contract shall be deemed amended accordingly. In the event, however, that the principal or client fails to pay the prescribed new minimum wage rates, the construction/service contractor shall be jointly and severally liable with his principal or client.

Section 8. Exemptions of retail/service establishments employing not more than ten (10) workers, distressed establishments, new business enterprises and establishments adversely affected by natural calamities shall be subject to applicable existing rules and regulations.

Section 9. An application for exemption duly filed shall have the effect of deferring any action on any complaint for non-compliance with the order until resolution of the application by the Regional Board.

Section 10. Any party aggrieved by this Wage Order may file a verified appeal with the Commission through the Board within ten (10) calendar days from publication of this Order.

Section 11. The filing of appeal does not operate to stay this Wage Order unless the party appealing shall file with the Commission an undertaking with a surety or sureties satisfactory to the Commission for payment of the corresponding increase to employees affected by this Order in the event this Order is affirmed.

Section 12. Where the application of the increases in the wage rates under this Order results in distortion of the wage structure within an establishment, the same shall be corrected in accordance with the procedure provided for under Art. 124 of the Labor Code as amended.

Section 13. This Order shall not be construed to prevent workers in particular firms or enterprises of industries from bargaining for higher wages with their respective employers.

Section 14. Any person, company, corporation, partnership or any entity engaged in business shall submit a verified itemized listing of their labor component to the Board not later than January 31, 2001 and every year thereafter in accordance with the form prescribed by the Commission.

Section 15. Complaints for non-compliance with this Order shall be filed with the Regional Office of the Department of Labor and Employment (DOLE) and shall be the subject of enforcement proceedings under Article 128 of the Labor Code, as amended, without prejudice to criminal prosecution which may be undertaken against those who fail to comply.

Section 16. Nothing in this Order shall be construed to reduce any existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders and/or under any contract or agreement between the workers and employers.

Section 17. Any person, corporation, trust or firm, partnership, association or entity which refuses or fails to pay the prescribed wage increase/rates in accordance with this Order shall be subject to the penal provisions under RA 6727, as amended by RA 8188.

Section 18. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceedings before the Board.

Section 19. All laws, orders, issuances, rules and regulations, or parts thereof inconsistent with the provisions of this Wage Order are hereby repealed, amended or modified accordingly.

Section 20. If, for any reason, any section or provision of this Order is held invalid or unconstitutional, the other provisions or parts shall remain valid.

Section 21. The Board shall prepare the necessary rules to implement this Order subject to approval of the Secretary of Labor and Employment.

Section 22. This Wage Order shall take effect on November 16, 2000.

Approved. Iloilo city, Philippines, October 23, 2000.

JAMES C. LEDESMA, SR.
EMPLOYERS' REPRESENTATIVE

NATALIO V. SITJAR
WORKERS' REPRESENTATIVE

ROBERTO G. ABELLO
EMPLOYERS' REPRESENTATIVE

VACANT
WORKERS' REPRESENTATIVE

DOMINIC P. ABAD
REGIONAL DIRECTOR,
DTI VICE CHAIRMAN

TRUMAN T. CAINGLET REGIONAL
DIRECTOR, NEDA
VICE CHAIRMAN

BIENVENIDO C. ELORCHA
REGIONAL DIRECTOR, DOLE
CHAIRMAN

Republic of the Philippines
Department of Labor and Employment
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD – VI
Iloilo City

RULES IMPLEMENTING WAGE ORDER NO. RBVI-10

Pursuant to the authority granted to the Regional Tripartite Wages and Productivity Board under Article 122 (b) Section 3 of Republic Act No. 6727, otherwise known as the Wage Rationalization Act and Section 21 of Wage Order No. RBVI-10, the following rules are hereby issued for guidance and compliance by all concerned:

RULE I

Section 1. DEFINITION OF TERMS. As used in these Rules:

- (a) Order means Wage Order No. RB6-10;
- (b) Commission means the National Wages and Productivity Commission;
- (c) Board means the Regional Tripartite Wages and Productivity Board of Region VI;
- (d) Department means the Department of Labor and Employment;
- (e) Region VI covers the provinces of Aklan, Antique, Capiz, Guimaras, Iloilo and Negros Occidental including their respective component cities and the highly urbanized cities of Bacolod and Iloilo;
- (f) Agriculture includes farming in all its branches and among others, includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing and harvesting of any agricultural or horticultural commodities, aquaculture, the raising of livestock and poultry, and any activities performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, but does not include deep-sea fishing, the manufacturing or processing of sugar, coconut, abaca, tobacco, pineapple or other farm products, marine and aquaculture products;
- (g) Plantation agricultural enterprise is one engaged in agriculture with an area of more than 24 hectares in a locality or which employs at least 20 workers. Any other agricultural enterprise shall be considered as non-plantation agricultural enterprise;
- (h) Cottage/Handicraft establishment is one engaged in an economic endeavor in which the products are primarily done in the home or such other places for profit which requires manual dexterity and craftsmanship with total assets of not more than P1,500,00.00 pursuant to SMED Council Resolution No. 3, Series of 1995.
- (i) Retail establishment is one primarily engaged in the sale of goods to end-users for personal or household use;
- (j) Service establishment is one principally engaged in the sale of service to individuals for their own or household use and is generally recognized as such;
- (k) Distressed establishment refers to an establishment which meets the criteria enumerated in Section 3A of the NWPC Guidelines No. 1, Series of 1996;
- (l) New business enterprise refers to an establishment including non-profit institutions, newly-registered with the appropriate government agency such as Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI), Cooperative Development Authority (CDA) and Mayor's Office within two (2) years from the effectivity of the Wage Order;
- (m) Capital refers to paid-up capital at the end of the last full accounting period in the case of corporations, the total invested capital at the beginning of the period under review in the

case of partnerships and single proprietorship or the fund balance/members' contribution at the beginning of the period under review in case of non-stock non-profit organizations;

- (n) Basic wage means all remuneration or earnings paid by an employer to a worker for services rendered on normal working days and hours but does not include cost-of-living allowances, profit-sharing payments, premium payments, 13th-month pay or other monetary benefits which are not considered part of or integrated into the regular salary of the workers on the date the Order became effective;
- (o) Minimum wage rate is the lowest wage rate fixed by law that an employer can pay his workers;
- (p) Wage distortion means a situation where an increase in prescribed wage rates results in the elimination or severe contraction of intentional quantitative differences in wage or salary rates between and among employee groups in an establishment as to effectively obliterate the distinctions embodied in such wage structure based on skills, length of service, or other logical bases of differentiations.

**RULE II
NEW MINIMUM WAGE RATES**

Section 1. Upon effectivity of the Order, the daily basic wage of the minimum wage earners in the Region shall be as hereinbelow indicated. The daily basic wage in the sugar industry, however, shall take effect ninety (90) days after the effectivity of the Order considering that the recently issued Wage Order No. RB6-09, as amended, affecting the sugar industry took effect only on June 16, 2000.

INDUSTRY/SECTOR	New Minimum Wage Rates under WO # RBVI-10
NON-AGRICULTURE	
(i.e., Industrial/Commercial)	
With capitalization of:	
More than P3 Million	170.00
More than P1 Million but less than P3 Million	160.00
Not more than P1 Million	143.00
AGRICULTURE	
Plantation	
With capitalization of more than P3 Million and with annual gross sales of:	
P5 Million or more	150.00
Less than P5 Million	143.00
With capitalization of more than P1 Million but not more than P3 Million w/ annual gross sales of:	
P5 Million or more	143.00
Less than P5 Million	130.00
With capitalization of not more than P1 Million	130.00
Non-Plantation	
With capitalization of :	
More than P3 Million	120.00

Not more than P3 Million 120.00

HOSPITALS

With capitalization of:

More than P3 Million 160.00

More than P1 Million but not more than P3 Million 160.00

Not more than P1 Million 160.00

COTTAGE/HANDICRAFT

Employing more than 30 workers

With capitalization of more than P3 Million 122.00

With capitalization of not more than P3 Million 122.00

Employing not more than 30 workers

With capitalization of more than P3 Million 122.00

With capitalization of not more than P3 Million 122.00

INDUSTRY/SECTOR

**New Minimum
Wage Rates under
WO # RBVI-10**

RETAIL/SERVICE

Employing more than 10 workers

Cities w/ population of more than 150,000 and with the following capitalization and employment size

More than P3 Million employing:

More than 15 workers 170.00

11 - 15 workers 162.00

More than P1 Million but not more than

P3 Million employing:

More than 15 workers 152.00

11-15 workers 152.00

Not more than P1 Million employing:

More than 15 workers 140.00

11-15 workers 140.00

Municipalities and cities with population of not more than 150,00 employing more than ten (10) workers and with the following capitalization:

More than P3 Million 155.00

More than P1 Million but not more than P3 Million 148.00

Not more than P1 Million 137.00

Employing not more than 10 workers

In the Region with the following capitalization:

More than P3 Million 120.00

Not more than P3 Million 120.00

SUGAR INDUSTRY

Mills	170.00
Agriculture plantation with capitalization of:	
More than P3 Million	150.00
Not more than P3 Million	130.00
Non-Plantation	120.00

Section 1.a. COTTAGE/HANDICRAFT. Upon effectivity of this Wage Order, existing establishments falling under the category of Cottage/Handicraft industry recognized as such, pursuant to the previous Wage Orders issued by this Board, shall pay the daily basic wage of the minimum wage earners as herein provided.

Section 2. COVERAGE. The new minimum wage rates shall cover all workers in the Region regardless of their position, designation or status and irrespective of the method by which their wages are paid, including learners and apprentices, except household and domestic helpers or persons in the personal service of another.

Section 3. BASIS OF MINIMUM WAGE RATES. The minimum wage rates prescribed herein shall be for normal working hours, which shall not exceed eight hours work a day.

Section 4. WORKERS PAID BY RESULTS. All workers paid by result, including those who are paid by piece work, "takay", "pakyaw" or task basis, shall receive not less than the applicable basic wage prescribed under the Order for the normal working hours which shall not exceed eight (8) hours a day or a proportion thereof for work of less than the normal working hours.

Industries/Establishments currently paying their workers/employees specific unit rates in the different phases of its operations based on time and motion studies previously developed and approved by competent authority, shall, in the absence of a more updated study, continue the practice but shall proportionately adjust the said wage rates with respect to the basic wage of all workers in the Region as mandated under the Order in accordance with its classification therein prescribed.

The adjusted minimum wage rates for workers paid by results shall be computed in accordance with the following steps:

a) Amount of increase in AMW*
----- x 100 = % increase;
Previous AMW

b) Existing rate/piece x % increase = Increase in rate/piece;

c) Existing rate/piece + Increase in rate/piece = Adjusted rate/piece

?? Where AMW is the applicable minimum wage rate.

Section 5. BASIC WAGE OF SPECIAL GROUPS OF WORKERS. Apprentices and learners shall in no case receive less than 75% of the applicable Basic Wage.

All recognized learnership and apprenticeship agreements entered into before the effectivity of the Order shall be considered as automatically modified in so far as their wage clauses are concerned to reflect the adjustments prescribed under the Order.

Section 6. APPLICATION TO CONTRACTORS. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed basic wage for covered

workers and employees shall be borne by the principals or clients of the construction/service contractors and the contracts shall be deemed amended accordingly. In the event, however, that the principal or client fails to pay the prescribed wage, the construction/service contractor shall be jointly and severally liable with the principal or client.

Section 7. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS. In the case of private educational institutions, the new minimum basic wage rate shall be effective beginning schoolyear 2001-2002.

Section 8. SUGGESTED FORMULA IN DETERMINING THE EQUIVALENT MONTHLY REGIONAL MINIMUM WAGE RATES. Without prejudice to existing company practices, agreements or policies, the following formula may be used as guides in determining the equivalent monthly minimum wage rates:

- a) For those who are required to work everyday including Sundays or rest days, special days and regular holidays:

$$\begin{array}{l} \text{Equivalent} \\ \text{Monthly} \\ \text{Rate (EMR)} \end{array} = \frac{\text{Applicable Daily Wage Rate (ADR)} \times 391.50 \text{ days}}{12}$$

Where 391.50 days :

302 days - Ordinary working days
 18 days - 9 regular holidays x 200%
 2.6 days - 1 regular holiday falling on last Sunday
 of August x 200% + (30% of 200%)
 66.30 days - 51 rest days x 130%
2.60 days - 2 special days x 130%
 391.50 days - Total equivalent number of days

- b) For those who do not work but are considered paid on rest days, special days and regular holiday

$$\text{EMR} = \frac{\text{ADR} \times 365 \text{ days}}{12}$$

Where 365 days:

302 days - Ordinary working days
 51 days - Rest days
 10 days - Regular Holidays
2 days - Special days
 365 days - Total equivalent number of days

- c) For those who do not work and are not considered paid on Sundays or rest days:

$$\text{EMR} = \frac{\text{ADR} \times 314.6 \text{ days}}{12}$$

Where 314.6 days:

302 days - Ordinary working days
 10 days - Regular Holidays
2.6 days - 2 Special days (if worked) x 130%
 314.6 days - Total equivalent number of days

- d) For those who do not work and are not considered paid on Saturdays and Sundays or rest days:

$$\text{EMR} = \frac{\text{ADR} \times 262.6 \text{ days}}{12}$$

Where 262.6 days:

250 days - Ordinary working days
 10 days - Regular Holidays

$2.6 \text{ days} - 2 \text{ Special days (if worked)} \times 130\%$
262.6 days - Total equivalent number of days

Note: For workers whose rest days fall on Sundays, the number of rest days in a year is reduced from 52 to 51 days, the last Sunday of August being regular holiday under Executive Order No. 203. For purposes of computation, said holiday, although still a rest day for them, is included in the ten regular holidays.

For workers whose rest days do not fall on Sundays, the number of rest days is 52 days, as there are 52 weeks in a year.

Section 9. MOBILE AND BRANCH WORKERS. The statutory minimum wage rates of workers, who by nature of their work have to travel, shall be those applicable in the domicile or head office of the employer.

The minimum wage rates of workers working in branches or agencies of establishments within the Region shall be those applicable in the place where they are stationed.

Section 10. TRANSFER OF PERSONNEL. The transfer of personnel to areas outside the Region shall not be a valid ground for the reduction of the wage rates being enjoyed by the workers prior to such transfer. The workers transferred to the other Regions with higher rates wage rates shall be entitled to the minimum wage rates applicable therein.

Section 11. APPEAL TO THE COMMISSION. Any party aggrieved by the Order may file an appeal with the Commission within ten (10) calendar days from the publication of the Order. The Commission shall decide the appeal within sixty (60) calendar days from date of filing. The appeal shall be accompanied by a memorandum of appeal, which shall state the grounds relied upon, and the arguments in support of the appeal.

Section 12. EFFECT OF APPEAL. The filing of the appeal does not operate to stay the Order unless the party appealing such Order shall file with the Commission an undertaking with a surety or sureties satisfactory to the Commission for payment to employees affected by the Order of the corresponding increase, in the event such Order is affirmed.

RULE III EXEMPTIONS

Section 1. APPLICATION FOR EXEMPTION. Distressed employers, retail/service establishments employing not more than ten (10) workers, new business enterprises and establishments adversely affected by natural calamities may apply with the Board for exemption from compliance with the Order in accordance with existing laws and/or guidelines.

Applications for exemption should be filed within seventy-five (75) days after publication of the Rules in at least one newspaper of general circulation in the Region. Said applications for exemption must be supported by the required documents that must be filed within the 75-day reglementary period after which no application for exemption will be entertained.

In the case of new business enterprises, the application for exemption shall be filed within sixty (60) days from date of registration.

Section 2. DOCUMENTS REQUIRED. The following documents shall be submitted together with three (3) copies of the application which shall be under oath:

For All Categories of Exemption

Proof of notice of filing of the application to the President of the union/contracting party if one is organized in the establishment, or if there is no union, a copy of a circular giving general notice of the filing of the application to all workers in the establishment. The proof of notice, which may be translated in the vernacular, shall state that the workers' representative was furnished a copy of the

application with all the supporting documents. The notice shall be posted in a conspicuous place in the establishment.

A. For Distressed Establishments

1. For corporations, cooperatives, single proprietorships, partnerships, non-stock non-profit organizations.
 - a. Audited financial statements (together with the Auditor's opinion and notes thereto) for the last two (2) full accounting periods preceding the effectivity of the Order filed with and stamped "received" by the appropriate government agency.
 - b. Audited interim quarterly financial statements (together with the Auditor's opinion and notes thereto) for the period immediately preceding the effectivity of the Order.

Submission of audited interim financial statements shall be in accordance with the following schedule:

EFFECTIVITY DATE OF WAGE ORDER	INTERIM STATEMENTS REQUIRED
First quarter of year	No interim statements required; only the audited statement for the last two full accounting periods
Second quarter of year	
Month 1	None; same as first quarter
Month 2	None; same as first quarter
Month 3	First quarter audited statement
Third quarter of year	
Month 1	First quarter audited statement
Month 2	First quarter audited statement
Month 3	First & second quarter audited statement
Fourth quarter of year	
Month 1	Second quarter audited statement
Month 2	Second quarter audited statement
Month 3	First, second & third quarter audited statements

For Banks and Quasi-banks

- a. Certification from Bangko Sentral ng Pilipinas that it is under receivership/liquidation.

B. For New Business Enterprises

1. Affidavit from employer regarding the following:
 - a. Principal economic activity
 - b. Date of registration with appropriate government agency

- c. Amount of total assets
 - 2. Certificate of registration from the appropriate government agency
- C. For retail/Service Establishments Employing not more than Ten (10) Workers
 - 1. Affidavit from employer stating the following:
 - a. It is a retail/service establishment
 - b. It is regularly employing not more than ten (10) workers for at least six months in any calendar year
 - 2. Business Permit for the current year from the appropriate government agency
- D. For Establishments Adversely Affected by Natural Calamities
 - 1. Affidavit from the General Manager or Chief Executive Officer of the establishment regarding the following:
 - a. Date and type of calamity
 - b. Amount of losses/damages suffered as a direct result of the calamity
 - c. List of properties damaged/lost together with estimated valuation
 - d. For properties that are not insured, a statement that the same are not covered by insurance
 - 2. Copies of insurance policy contracts covering the properties damaged, if any
 - 3. Adjuster's report for insured properties
 - 4. Audited financial statements for the last full accounting period preceding the effectivity of the Order stamped "received" by the appropriate government agency.

The Board may require the submission of other pertinent documents to support the application for exemption.

Section 3. EFFECT OF FILING OF APPLICATION FOR EXEMPTION. Whenever an application for exemption has been duly filed with the Regional Board, the Regional office of the Department shall be notified. Pending resolution of the said application, action on any complaint for alleged non-compliance with the Order shall be deferred by the Regional Office of the Department.

Section 4. DURATION AND EXTENT OF THE EXEMPTION. A full exemption of one (1) year shall be granted to all categories of establishments that meet the applicable criteria for exemption under Section 3 of NWPC Guidelines No. 01, Series of 1996.

However, a partial exemption of 50% with respect to the amount or period of exemption may be granted only in the case of distressed establishments.

Section 5. EFFECT OF DISAPPROVED APPLICATION FOR EXEMPTION. In the event that an application for exemption is not granted, covered workers and employees shall receive the appropriate compensation due them, as provided for in the Order plus an interest of 1% per month retroactive from the date when the Order became effective.

RULE IV SPECIAL PROVISIONS

Section 1. EFFECT ON EXISTING WAGE STRUCTURE. Should any dispute arise as a result of wage distortion, the employer and the union shall negotiate to correct the distortions through the grievance procedure under their collective bargaining agreement, and if it remains unresolved, through voluntary arbitration. Unless otherwise agreed by the parties in writing, such dispute shall be decided by the voluntary arbitrator or panel of voluntary arbitrators within ten (10) calendar days from the time said dispute was referred to voluntary arbitration.

In cases where there are no collective bargaining agreements or recognized labor unions, the employers and workers shall endeavor to correct such distortions. Any dispute arising there from

shall be settled through the National Conciliation and Mediation Board and if it remains unresolved after ten (10) calendar days of conciliation, the same shall be referred to the appropriate branch of the National Labor Relations Commission (NLRC). The NLRC shall conduct continuous hearings and decide the dispute within twenty (20) calendar days from the time said dispute is submitted for compulsory arbitration.

The pendency of a dispute rising from wage distortion shall not in any way delay the applicability of any increase prescribed in the Order.

Section 2. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with the Order shall be filed with the Regional Office of the Department having jurisdiction over the workplace and shall be the subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

Section 3. CONDUCT OF INSPECTION BY THE DEPARTMENT. The Department shall conduct inspections of establishments, as often as necessary, to determine whether the workers are paid the prescribed wage rates and other benefits granted by law or any applicable Order. In the conduct of inspection in unionized companies, Department inspectors shall always be accompanied by the president or other responsible officer of the recognized bargaining unit or of any interested union. In the case of non-unionized establishments, a worker representing the workers in the said company will accompany the inspector.

The workers' representative shall have the right to submit his own findings to the Department and to testify on the same if he does not concur with the findings of the labor inspector.

Section 4. NON-DIMINUTION OF BENEFITS. Nothing in the Order shall be construed to reduce any existing wage rates or other benefits under existing laws, decrees, issuances, executive orders, and/or under any contract or agreement between the workers and the employers.

Section 5. PENAL PROVISION. Pursuant to the provisions of Section 12 of RA 6727, as amended by RA 8188, any person, corporation, trust, firm, partnership, association or entity which refuses or fails to pay the prescribed increase in the Order shall be punished by a fine of not less than Twenty-five thousand pesos (P25,000.00) nor more than One hundred thousand pesos (P100,000) or imprisonment of not less than two (2) years nor more than four (4) years or both such fine and imprisonment at the discretion of the court. Provided, that any person convicted under the Order shall not be entitled to the benefits provided for under the Probation Law.

The employer concerned shall be ordered to pay an amount equivalent to double the unpaid benefits owing to the employees: Provided that any payment of indemnity shall not absolve the employer from the criminal liability imposable under RA 8188.

If the violation is committed by a corporation, trust or firm, partnership, association or any other entity, the penalty of imprisonment shall be imposed upon the entity's responsible officers, including but not limited to the president, vice-president, chief executive officer, general manager, managing director or partner.

Section 6. PROHIBITION AGAINST INJUNCTION. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceedings before the Commission or Boards.

Section 7. FREEDOM TO BARGAIN. The Order shall not be construed to prevent workers in particular firms or enterprises of industries from bargaining for higher wages and flexible working arrangements with their respective employers.

Section 8. REPORTING REQUIREMENTS. Any person, company, corporation, partnership or any entity engaged in business shall submit a verified itemized listing of their labor component to the Board not later than January 31, 2001 and every year thereafter in accordance with the form prescribed by the Commission.

Section 9. REPEALING CLAUSE. All laws, orders, issuances, rules and regulations on wages, or parts thereof inconsistent with the provisions of the Order and these Rules are hereby repealed, amended or modified accordingly.

Section 10. SEPARABILITY CLAUSE. If any provision or part of the Order and these Rules, or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of the Order and these Rules or the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.

Section 11. EFFECTIVITY OF RULES. These Rules shall take effect on November 16, 2000.

Done in Bacolod City for Iloilo City this 14th day of December 2000.

JAMES C. LEDESMA, SR.
EMPLOYERS' REPRESENTATIVE

NATALIO V. SITJAR
WORKERS' REPRESENTATIVE

ROBERTO G. ABELLO
EMPLOYERS' REPRESENTATIVE

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